

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that Engrossed Senate Bill 453 be amended to read as follows:

- 1 Page 3, between lines 5 and 6, begin a new paragraph and insert:
2 "SECTION 2. IC 6-1.1-17-10, AS AMENDED BY P.L.90-2002,
3 SECTION 151, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JANUARY 1, 2004 (RETROACTIVE)]: Sec. 10. When the aggregate
5 tax rate within a political subdivision, as approved or modified by the
6 county board of tax adjustment, exceeds the maximum aggregate tax
7 rate prescribed in ~~IC 6-1.1-18-3(a)~~, **IC 6-1.1-18-3(b)**, the county
8 auditor shall certify the budgets, tax rates, and tax levies of the political
9 subdivisions whose tax rates compose the aggregate tax rate within the
10 political subdivision, as approved or modified by the county board, to
11 the department of local government finance for final review. For
12 purposes of this section, the maximum aggregate tax rate limit
13 exceptions provided in ~~IC 6-1.1-18-3(b)~~ **IC 6-1.1-18-3(c)** do not apply.
14 SECTION 3. IC 6-1.1-17-17, AS AMENDED BY P.L.90-2002,
15 SECTION 159, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 JANUARY 1, 2004 (RETROACTIVE)]: Sec. 17. **(a) As used in this**
17 **section, "cooperative insurance program" means a program**
18 **through which two (2) or more political subdivisions cooperatively**
19 **arrange for coverage, through a self-insurance arrangement, a**
20 **mutual association, an interinsurance arrangement, a reciprocal**
21 **exchange, or another arrangement, for certain risks of:**
22 **(1) the political subdivisions;**
23 **(2) employees of the political subdivisions; or**

(3) a combination of subdivisions (1) and (2).

The term includes a cooperative risk management program established under IC 20-5-2.7.

(b) Subject to the limitations contained in IC 6-1.1-19 and IC 6-1.1-18.5, the department of local government finance may at any time increase the tax rate and tax levy of a political subdivision for the following reasons:

(1) To pay the principal or interest upon a funding, refunding, or judgment funding obligation of a political subdivision.

(2) To pay the interest or principal upon an outstanding obligation of the political subdivision.

(3) To pay a judgment rendered against the political subdivision.

(4) To pay lease rentals that have become an obligation of the political subdivision under IC 21-5-11 or IC 21-5-12.

(c) A levy may not be increased in excess of the levy limits imposed under IC 6-1.1-18.5, IC 6-1.1-18.6, and IC 6-1.1-19 to pay amounts owed as a result of the participation of a political subdivision in a cooperative insurance program.

SECTION 4. IC 6-1.1-18-3, AS AMENDED BY P.L.224-2003, SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2004 (RETROACTIVE)]: Sec. 3. (a) **As used in this section, "cooperative insurance program" means a program through which two (2) or more political subdivisions cooperatively arrange for coverage, through a self-insurance arrangement, a mutual association, an interinsurance arrangement, a reciprocal exchange, or another arrangement, for certain risks of:**

(1) the political subdivisions;

(2) employees of the political subdivisions; or

(3) a combination of subdivisions (1) and (2).

The term includes a cooperative risk management program established under IC 20-5-2.7.

(b) Except as provided in subsection ~~(b)~~, **(c)**, the sum of all tax rates for all political subdivisions imposed on tangible property within a political subdivision may not exceed:

(1) forty-one and sixty-seven hundredths cents (\$0.4167) on each one hundred dollars (\$100) of assessed valuation in territory outside the corporate limits of a city or town; or

(2) sixty-six and sixty-seven hundredths cents (\$0.6667) on each one hundred dollars (\$100) of assessed valuation in territory inside the corporate limits of a city or town.

~~(b)~~ **(c)** The proper officers of a political subdivision shall fix tax rates which are sufficient to provide funds for the purposes itemized in this subsection. The portion of a tax rate fixed by a political subdivision shall not be considered in computing the tax rate limits prescribed in

1 subsection ~~(a)~~ (b) if that portion is to be used for one (1) of the
 2 following purposes:

3 (1) To pay the principal or interest on a funding, refunding, or
 4 judgment funding obligation of the political subdivision.

5 (2) To pay the principal or interest on an outstanding obligation
 6 issued by the political subdivision if notice of the sale of the
 7 obligation was published before March 9, 1937.

8 (3) To pay the principal or interest upon:

9 (A) an obligation issued by the political subdivision to meet an
 10 emergency which results from a flood, fire, pestilence, war, or
 11 any other major disaster; or

12 (B) a note issued under IC 36-2-6-18, IC 36-3-4-22,
 13 IC 36-4-6-20, or IC 36-5-2-11 to enable a city, town, or
 14 county to acquire necessary equipment or facilities for
 15 municipal or county government.

16 (4) To pay the principal or interest upon an obligation issued in the
 17 manner provided in IC 6-1.1-20-3 (before its repeal) or
 18 IC 6-1.1-20-3.1 through IC 6-1.1-20-3.2.

19 (5) To pay a judgment rendered against the political subdivision.

20 (6) To meet the requirements of the family and children's fund for
 21 child services (as defined in IC 12-19-7-1).

22 (7) To meet the requirements of the county hospital care for the
 23 indigent fund.

24 (8) To meet the requirements of the children's psychiatric
 25 residential treatment services fund for children's psychiatric
 26 residential treatment services (as defined in IC 12-19-7.5-1).

27 ~~(c)~~ (d) Except as otherwise provided in IC 6-1.1-19 or
 28 IC 6-1.1-18.5, a county board of tax adjustment, a county auditor, or
 29 the department of local government finance may review the portion of
 30 a tax rate described in subsection ~~(b)~~ (c) only to determine if it exceeds
 31 the portion actually needed to provide for one (1) of the purposes
 32 itemized in that subsection.

33 (e) A levy may not be increased in excess of the levy limits
 34 imposed under IC 6-1.1-18.5, IC 6-1.1-18.6, and IC 6-1.1-19 to pay
 35 amounts owed as a result of the participation of a political
 36 subdivision in a cooperative insurance program."

37 Page 24, between lines 16 and 17, begin a new paragraph and insert:
 38 "SECTION 14. [EFFECTIVE JANUARY 1, 2004
 39 (RETROACTIVE)] IC 6-1.1-17-10, IC 6-1.1-17-17, and

- 1 **IC 6-1.1-18-3, all as amended by this act, apply only to ad valorem**
- 2 **property taxes first due and payable after December 31, 2003."**
- 3 Renumber all SECTIONS consecutively.
(Reference is to ESB 453 as printed February 20, 2004.)

Representative Fry